

MINUTES
BOARD OF SUPERVISORS
COUNTY OF YORK

Adjourned Meeting
November 25, 2003

6:00 p.m.

Meeting Convened. An Adjourned Meeting of the York County Board of Supervisors was called to order at 6:45 p.m., Tuesday, November 25, 2003, in the Library of Grafton High/Middle School, by Chairman James S. Burgett.

Attendance. The following members of the Board of Supervisors were present: Walter C. Zarembo, Sheila S. Noll, James S. Burgett, and Thomas G. Shepperd.

Mr. Donald E. Wiggins was absent.

Also in attendance were James O. McReynolds, County Administrator; and James E. Barnett, County Attorney.

JOINT MEETING WITH THE YORK COUNTY SCHOOL BOARD

School Board Members Present: Barbara Haywood, Chairman; Page Minter; Barrent M. Henry; Mark Medford, and Don Felling.

Also present were Dr. Steven R. Staples, Superintendent of Schools; Richard M. Hixson, Deputy Superintendent of Operations; and Dr. James Tucker, Assistant Superintendent for Instruction.

FY2005 BUDGET OUTLOOK

Mr. Dennis Jarrett, School Division Director of Finance, made a presentation on the revenue outlook for the School Division in FY2005. The revenue assumptions included an enrollment projection of 12,830 students and an impact aid increase projection of \$450,000 based on the FY2004 proposed Federal budget which equates to approximately \$8.1 million. He then discussed State revenue, stating that it was the first year of the biennium, and the composite index will change. He also noted that the VRS retirement rate increase and the VRS group life insurance rate reinstatement could be more important than the composite index in that the VRS rate increases are over 100 percent.

Mrs. Carol White, Director of Financial and Management Services, then briefed the two boards on the FY2005 County revenue projections. In terms of local revenue, staff is expecting property taxes to increase 7 to 8 percent, with a 2 to 4 percent increase expected for other local taxes. Other local revenues are projected to stay level with the FY04 budget due largely to continued low return on investments. On the State side, the County has received no indication yet that there will be further funding cuts, and staff is assuming State funding levels will be level with the FY04 budget. Transfers for activities such as grounds maintenance and law enforcement should see a slight increase over the FY04 budget. Other revenue should remain level with the 2004 budget. Compared to FY04, minimal growth is expected. Concerns for the FY05 budget include a 121 percent increase in the VRS employer contribution rate and the strength of the economy. Overall, the County can expect a \$4.5 million to \$5.5 million increase over last year. She then discussed the employee compensation system, explaining that a benchmarking system is used for the non-licensed (non-teaching) employees, both County and School Division, through a comparison of pay scales in market areas to maintain competitiveness of the County's pay plan. Based on the benchmarking study, a need for a 2 percent market adjustment has been identified.

Discussion followed concerning the reassessment taking place this year and the impact of Hurricane Isabel on the real estate market, as well as decreased tourism affecting revenues.

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Mr. Jarrett then briefed the Boards on the licensed personnel (teaching) salary scale. He explained the compensation lanes, indicating they were based on education level obtained. He noted the County model maintains a pay plan that places starting salaries for positions near the middle of statewide market area pay scales.

Mrs. White addressed the estimated County funding requirements and issues for Fiscal Year 2005, which include:

• Contribution to Schools	\$1,730,000
• VRS Contribution Increase	1,700,000
• Employee compensation (steps)	550,000
• Market Adjustment	450,000
• Health Insurance	300,000
• Capital/Debt—Schools	125,000
• CIP Debt Service – County	450,000
• Other	250,000
• New Programs/Personnel	?
TOTAL	\$5,555,000

Mrs. White then addressed the School's estimated requirements for employee compensation, noting that the issues currently identified totaled about \$5.197 million; and given that estimated new local and Federal revenues currently identified totaled \$2.18 million, there exists an estimated funding gap of approximately \$3.02 million, but this is without knowing what State revenues will do. She stated that she and Mr. Jarrett would continue to monitor state and federal revenues and keep the Boards posted.

Meeting Recessed. At 8:12 p.m. Chairman Burgett declared a short recess.

Meeting Reconvened. At 8:18 p.m. the meeting was reconvened in open session by order of the Chair.

TECHNOLOGY UPDATE (Not on Agenda)

At this time the School Board members presented the Board of Supervisors with a briefing updating it on instructional technology in the school system. The briefing started with a demonstration by Dr. Jennifer Parrish of the portable teacher stations/platforms that have been designed to make total use of all classrooms. The School Board members then discussed Phase I implementation which is now complete at a total cost of \$20,819,192. They indicated the next steps being recommended include laptops for teachers, improved viewing stations/hardware for the students, portable wireless labs for student use, and updated software packages. The School Board members also reviewed the importance of advanced technology to education. The briefing concluded with the School Board noting it must approve Phase II of the plan and identify the final funding sources, as well as continue dialogue between the two Boards.

Meeting Adjourned. At 9:10 p.m. Chairman Burgett declared the meeting adjourned sine die.

James O. McReynolds, Clerk
York County Board of Supervisors

James S. Burgett, Chairman
York County Board of Supervisors